

IMPACT OF COVID-19 ON WISCONSIN'S NONPROFIT ARTS ORGANIZATIONS

The impact of COVID-19 on Wisconsin's nonprofit arts organizations has been tracked via a dynamic study conducted by Americans for the Arts (AFTA) entitled "The Economic Impact of Coronavirus (COVID-19) on the Arts and Cultural Sector." The study may be broken down by state, and found [here](#). Another informative study, "The COVID-19 Impact Survey for Artists and Creative Workers", may be found [here](#).

As of July 6, 2020, the national economic impact of COVID-19 on the arts and cultural sector so far is estimated at \$8.4 Billion, with an estimated median per organization impact of \$25,000. In Wisconsin, to date, 456 respondents have reported a total financial impact of \$34,915,053.00, with a median financial impact per organization of \$21,500.00. We know that number is increasing daily, and it must be stressed that this impact does not include the losses sustained by individual artists, gig economy workers, or for profit creative businesses (graphic design firms, music stores, dance studios, art supply stores, etc.).

Wisconsin's results from AFTA's national study of nonprofits include:

- 95% of organizations have canceled events.
- Total Number of Lost Attendance is 2,541,409; median is 1027 per organization.
- Staffing changes
 - Total Laid Off 1,421
 - Total Furloughed 878
 - Vacant positions left unfilled 144
- 93% of organizations expect the overall financial impact of COVID-19 to be severe on their organization.
- 61% of organizations will need to make either temporary or permanent reductions in staff.
- 67% of organizations have modified their operating status.
- 81% percent of organizations have participated in COVID-19 Mitigation Efforts.
- 60% are confident that their organization will survive the impact of COVID-19.

The biggest concerns are the uncertain timetable for allowing large crowds to gather again, for when it will be truly safe to gather again, and for when audiences will be willing/comfortable to gather. In the short term, exhibiting and performing at (sometimes far) less than 50% audience capacity will continue to put financial strain on the organizations. This financial strain is exacerbated by the reduction in earned revenue (ticket sales), cancelation of fundraising events, and the reduction in philanthropic giving by individuals and corporations and the reallocation of foundation giving to health services and social justice. Organizations have also expressed concern for their ability to acquire the personal protective equipment and sanitizing products necessary to open, and then stay open and sanitized, due to the increased demand and limited supplies.

Here are the financial concerns identified within the AFTA study:

Which of the following are currently major financial concerns for your organization?



The arts and cultural community has rallied in support of community members who were/are safer at home, providing classes and concerts online, curbside pickup of art kits, and even the re-birth of drive-in movies and concerts. The [“Out of the Woods”](#) series from American Players Theatre and PBS Wisconsin is an example of the creative response to the COVID-19 restrictions that is typical of the arts sector. These necessary COVID-19 tactics have served as connections to existing audiences and the means of developing of new ones. Some of these tactics will remain, as arts and cultural organizations imagine the new normal. It is important to note that the ability to monetize these systems has not yet been proven.

Investment in innovation across all sectors - including the creative industries - will be necessary for Wisconsin to imagine and create a resilient and thriving post pandemic economy. Our constituents and the audiences they serve need the arts and cultural industry to get back to work safely. This resilient industry will be an important indicator that our communities are thriving, and that the state’s economy is back.